7016389/2023/PROG-I-INC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Proposal of M/s. JSW Aluminium Ltd., for change of line of activity from Aluminium Refinery Complex to MSME Park /Any other Industries in the already allocated land of 985.70 acres, duly amending the relevant clauses of the conveyance deed 2723/2008 – Permission Accorded – Amendment Orders – Issued.

INDUSTRIES & COMMERCE (PROGRAMME-I) DEPARTMENT

G.O.Ms.No.14 Date:20/02/2023

Read the following:

1. G.O.Ms.No.892, Revenue (Asn-1) Dept., dt.28.06.2007.
2. G.O.Ms.No.178, Revenue (ASN-1) Dept., dt. 18.02.2008.
3. Deed of Conveyance No.2723/2008 executed between GoAP rep by District Collector, Vizianagaram and M/s. JSW Aluminium Ltd.,
4. From the Director, M/s. JSW Aluminium Ltd., letter dt.15.11.2022.
5. Minutes of the State Investment Promotion Board (SIPB) Meeting held on 07.02.2023.

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ORDER:

In the reference 1st & 2nd read above, the Government of Andhra Pradesh has allotted land of 985.70 acres at par with market value to M/s. JSW Aluminium Ltd., for setting up a modern and state of the art Aluminium Refinery Complex with installed Capacity of 1.4 Million Tonnes per annum along with Co-generation Plant of 90 MW and the same land was registered in favour of JSW Aluminium Limited vide Conveyance Deed No:2723/2008 in the reference 3rd read above.

2. In the reference 4th read above, M/s. JSW Aluminium Ltd., has informed that, besides the Government allotted land of 985.70 acres, the Company has purchased another 180 acres of Private land to make the whole land parcel contiguous and is in possession of 1166 acres of land today. However, the Government of Andhra Pradesh had taken Green Initiative and decided not to go ahead with bauxite mining in the state, therefore company could not execute the Aluminium Refinery Project in the State. Recently the Company has come up with the idea of setting up multi utility MSME Park/Other Suitable Industries. However due to restriction in use of land, it was not possible for the company to execute the project. Out of 1166 acres of land, only 180 acres of land is freehold land and hence the Company is requesting to accord the permission for balance land of 985.70 acres (Resumed assigned and Government land) for alternative use by stating that the Development of MSME Park in the same land will generate significant employment for the local citizens and hugely benefit the economy of the state in the long run.

3. The Director, M/s. JSW Aluminium Ltd., has therefore proposed to setup multi utility MSME Park/other suitable Industries in 1166 Acres of land in their Possession and requested the Government for the following:

(P.T.O)

i. Approval for alternative use of 985.70 acres land duly amending the Clause No.9 and Clause No.16 of the Deed of Conveyance No.2723/2008.
ii. The Government of AP would on a best efforts basis, provide all assistance to JSW in procuring consents and approvals required for construction and operation of the Project.
iii. The Government of AP shall make available certain external infrastructure up to the Site (or up to a designated point within the Site, as the case may be). Such external infrastructure could comprise of.
    a) Power Connectivity to a designated point within the Site for uninterrupted power supply.
    b) Water allotment for the project from Tatipudi reservoir.
iv. Special Tax incentives like reimbursement of stamp duty on land registration/Power Cost/ SGST, etc.

4. Accordingly, the proposal was placed before the State Investment Promotion Board (SIPB) in its meeting held on 07.02.2023 with the recommendations of the State Investment Promotion Committee (SIPC). In the reference 5th read above, the State Investment Promotion Board (SIPB) has taken the following decision on the proposal:

SIPB discussed the proposal in detail and accorded permission for change of line of activity from Aluminum Refinery Complex to MSME Park /Any other Industries in the already allocated land of 985.70 acres, duly amending the relevant clauses of the conveyance deed 2723/2008, subject to definitive timelines for implementation of the project, and investment & employment commitment from the company.

In accordance to which, the following amendments have been approved for the Clause 9 and 16.

1. *Clause No.9: shall be amended as "The scheduled property shall be used for the purpose of setting up of MSME Park/any other suitable industries."*
2. *Clause No.16: The second party shall have a right to develop, lease, the schedule property to MSME enterprises/Any other suitable industries. However, on successful completion of 10 years of operations by MSME enterprise /any suitable industries, the lease hold shall be converted to free hold as per the APIIC allotment regulations. The Second Party may mortgage the Scheduled Property in favour of a security trustee acting as a trustee for its lenders provided that the Second Party obtains no objection certificate from the First Party prior to creation of such mortgage, for which no objection certificate shall not be unreasonably withheld by the First Party. The lenders acting through the Security Trustee shall be entitled to sell the Scheduled Property, in enforcement of the mortgage only to a party approved by the Government (First Party) such prior approval not to be unreasonably withheld.*

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5. Government after careful examination of the matter, hereby accord permission for change of line of activity from Aluminium Refinery Complex to MSME Park/Any other Industries in the already allocated land of 985.70 acres, duly amending relevant clauses of the conveyance deed 2723/2008, subject to definitive timelines for implementation of the project, and investment & employment commitment from the company. In accordance to which, the District Collector, Vizianagaram is directed to amend the clauses-9 & 16 of the conveyance deed 2723/2008 as follows:

Existing Conditions	Amended as
Clause No:9 The Schedule Property shall be used for the purpose of setting up a modern and state of the art Alumina Refinery Complex with installed Capacity of 1.4 Million Tonnes per annum along with Cogeneration Plant of 90 MW and for no other purpose.	**Clause No:9** "The Schedule Property shall be used for the purpose of setting up of MSME Park / any other Suitable Industries".
Clause No: 16 The Second Party shall have no right to sell, transfer/alienate Scheduled Property, save and except that the Second Party may mortgage the Scheduled Property in favour of a security trustee acting as a trustee for its lenders provided that the Second Party obtains no objection certificate from the First Party prior to creation of such mortgage. which no objection certificate shall not be unreasonably withheld by the First Party. The lenders acting through the Security Trustee shall be entitled to sell the Scheduled Property, in enforcement of the mortgage only to a party approved by the Government(First Party) such prior approval not to be unreasonably withheld.	**Clause No: 16** The second party shall have a right to develop, lease, the schedule property to MSME enterprises/Any other suitable industries. However, on successful completion of 10 years of operations by MSME enterprise /any suitable industries, the lease hold shall be converted to free hold as per the APIIC allotment regulations. The Second Party may mortgage the Scheduled Property in favour of a security trustee acting as a trustee for its lenders provided that the Second Party obtains no objection certificate from the First Party prior to creation of such mortgage, for which no objection certificate shall not be unreasonably withheld by the First Party. The lenders acting through the Security Trustee shall be entitled to sell the Scheduled Property, in enforcement of the mortgage only to a party approved by the Government(First Party) such prior approval not to be unreasonably withheld.

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6. The District Collector, Vizianagaram & the Revenue Department, the Director of Industries and the Vice Chairman & Managing Director, APIIC shall take further necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R. KARIKAL VALAVEN
SPL. CHIEF SECRETARY TO GOVERNMENT & CIP

To
The Collector & District Magistrate, Vizianagaram.
The Revenue Department, AP Secretariat.
The Director of Industries, Mangalagiri.
The VC &MD, APIIC, Mangalagiri.
The CEO, AP MSME Development Corporation, Vijayawada.
M/s. JSW Aluminum Ltd., 58-17-1/1, Jindal Bhawan, Opp. NSTL,
Near NAD Kotha Road Junction, Sanjeevayya Nagar,
Visakhapatnam -530009, Andhra Pradesh.

Copy to:
The Finance Department, AP Secretariat.
The Water Resources Department, AP Secretariat.
The Energy Department, AP Secretariat.
The G.A (Cabinet) Department
The Industries & Commerce (P&I) Department.
The Accountant General, MG Road, Governor Peta, Vijayawada.
The General Manager, District Industries Centre, Vizianagaram District.
The Zonal Manager, APIIC, Vizianagaram.
P.S to Secretary to Hon'ble Chief Minister.
OSD to Hon'ble Minister for Industries.
P.S to Chief Secretary to Government.
P.S to Spl .Chief Secretary to Government & CIP.
Sf/Sc

//FORWARDED:: BY ORDER//

B Radha
SECTION OFFICER